



**STATE OF NEW JERSEY**  
**Board of Public Utilities**  
**Two Gateway Center**  
**Newark, NJ 07102**  
**www.bpu.state.nj.us**

IN THE MATTER OF A REQUEST BY )	<u>CABLE TELEVISION</u>
CABLEVISION OF WARWICK, LLC )	
FOR PERMISSION TO CLOSE AND )	ORDER PERMITTING THE
RELOCATE A CUSTOMER SERVICE )	CLOSING AND RELOCATION
OFFICE IN THE TOWNSHIP OF )	OF CUSTOMER SERVICE OFFICE
MONTAGUE, COUNTY OF SUSSEX, )	
STATE OF NEW JERSEY )	DOCKET NO. CO03030179

(SERVICE LIST ATTACHED)

BY THE BOARD:

This matter was initiated by a request by Cablevision of Warwick, LLC, a cable company holding Certificates of Approval to serve the municipalities of Montague and Sandyston and conducting cable television business in the State of New Jersey, to close and relocate its customer service office located at 266 Clove Road, in the Township of Montague, County of Sussex, State of New Jersey to an existing location at 605 Pennsylvania Avenue, in the Borough of Matamoras, County of Pike, Commonwealth of Pennsylvania.

By way of background, on January 14, 2003, Cablevision filed a verified petition pursuant to N.J.A.C. 14:18-5.1, seeking Board approval of the proposed office closing and relocation. Petitioner asserted that the relocation is in furtherance of its business objectives and has demonstrated subscriber benefits in terms of a larger customer service area, more parking spaces and expanded customer service hours.

Petitioner further asserted that the proposed out-of-state office is approximately ten (10) miles from the present office location, and that subscribers will derive a greater benefit and convenience from the proposed relocation through expanded availability at the new office location with an additional 27.5 hours per week of operation as compared to the present location. According to Petitioner, the new location is open approximately 45 hours per week as opposed to 17.5 hours per week at the present location.

Petitioner did not indicate that any staff reduction would result from closing the New Jersey customer service office. Currently, there is a single customer service representative employed at this office and Petitioner indicates that all resources available at the current office location will also be available at the proposed existing location.

Petitioner posted notice of the proposed office closing and relocation, as required by N.J.A.C. 14:18-5.1(c), at its office at 266 Clove Road, Montague, New Jersey. Notice was also published on December 25, 2002 in The New Jersey Herald of Sussex County, a newspaper of general circulation in the Petitioner's service area.

During the course of the Board's review of the petition, Staff asserted that the proposed relocation to an out-of-state facility could pose certain issues that would not otherwise be present with an alternate in-state facility, such as questions of jurisdiction as well as inspection and enforcement concerns. In light of these potential issues, Staff requested that Petitioner consider another in-state alternative to its proposal to locate the facility out of state. Petitioner, after requesting additional time to allow it to explore the feasibility of establishing such an alternate location in-state, provided the option more fully described below.

Preliminarily, the Board notes that the Petitioner's published and posted notices failed to include a toll free number or a local exchange number for the company as required by N.J.A.C. 14:18-5.1(d) at the time of publication. While the notices posted and published by Petitioner failed to satisfy the technical requirements of N.J.A.C. 14:18-5.1(d) by not including a toll free or local exchange telephone number, the postings nevertheless provided notice to all interested parties of the opportunity to file written objections with the Board, and nothing has been received, either by the Board or the Petitioner, to indicate that any formal objections exist. Furthermore, the Board has clarified that customer comments should be filed directly with the Board in the recent re-adoption of N.J.A.C. 14:18, Regulations of Cable Television, which should obviate the need to consider similar waivers in the future. In petitions such as this, filed before the rule clarification adopted on November 17, 2003, and where there have been no objections filed, the Board has waived the requirement that a perfected notice be republished. The Board sees no reason to differ from this approach here.

As to Petitioner's proposed alternative, in February of 2004, Petitioner informed Staff that it had made arrangements with a local business in Montague where subscribers will be able to make payments and exchange cable converters. The agent, Bella's Pizza, is located at 260 Clove Road, Montague, New Jersey, next to the current office Petitioner seeks to close, and is open Sunday through Monday from 11 a.m. to 11 p.m. According to Petitioner, in addition to its Matamoras, Pennsylvania location, Bella's Pizza would be available to receive and process customer payments and exchange converters for Montague and Sandyston customers.

The current customer service office is, as noted above, located in the Township of Montague, on the New Jersey / Pennsylvania border. Petitioner has a limited service territory in this area, with Montague and Sandyston surrounded by towns served by other cable television providers, leaving a total pool of approximately 1,365 New Jersey customers in the immediate area. Montague is, according to the Petitioner, the smallest customer service center in operation in New Jersey, and serves approximately 110 customers per month, as opposed to a Petitioner-provided average of 6,000 customers per month at its other customer service locations throughout the State. In addition, Petitioner stated that, because of the economies of scale associated with situations such as this, the cost per customer at the Montague office is significantly higher than that associated with other service centers. The nearest alternative full service customer service centers in New Jersey, located in the Township of Randolph, and Borough of Oakland are approximately 40 and 52 miles and over one hour away by car. The alternative customer service center in Matamoras, Pennsylvania on the other hand, is slightly more than eight (8) miles and 15 minutes travel time away, is open and available significantly more hours per week to transact customer business, and customers may cross the river to reach it without incurring a toll. Finally, the closing of the Montague facility was specifically brought to the attention of the affected municipalities by Board staff, and neither Montague nor Sandyston indicated any objection, and no objections have been received from any of the subscribers and others who will be directly impacted by the closure.

Based upon the foregoing, the Petitioner has requested that the Montague office be closed, the Matamoras, Pennsylvania office be classified as the new "local office" and Bella's Pizza be designated a "local agent" for the purposes of accepting bill payment and converter box return and exchange.

The Board, as a long-standing policy, does not generally look favorably upon proposed transfers of local offices to locations out-of-state. However, given the unique circumstances present here, the rural nature of the area, the low use of the facilities, the ability of local residents to use an adjacent local agent to make payments and exchange equipment, and the close proximity of the Matamoras, Pennsylvania full service facility, located less than two miles beyond the state boundary, we believe, with certain conditions, a limited exception can be made in this case. As such, the Board, recognizing that the costs and associated circumstances of the Montague customer service office reflect a unique situation which warrants a flexible solution, HEREBY FINDS that the closing of the Montague customer service office, in conjunction with the services available at the nearby Matamoras, Pennsylvania office and the continued operation of the local payment agent is an acceptable solution to protect both the business needs of the company as well the needs of the customers and the Board, provided that certain restrictions and conditions are imposed to ensure that all parties are adequately protected in this matter.

Thus, the Board HEREBY ORDERS that the requirements of N.J.A.C. 14:18-5.1(d), to the extent not satisfied, are HEREBY WAIVED. Additionally, the Board HEREBY GRANTS permission to the Petitioner to close the customer service office located at 266 Clove Road, Montague, New Jersey and instead designate the Matamoras, Pennsylvania office at 605 Pennsylvania Avenue, Matamoras, Pennsylvania as the local office for the purposes of compliance with the terms of Cablevision's municipal consent with the Township of Montague. The Board FURTHER ORDERS that the bill payment agent located at Bella's Pizza, 260 Clove Road, Montague, New Jersey shall continue to operate as a local service agent for the receipt of customer payments and exchange of customer equipment. The Board FURTHER ORDERS that this grant is subject to the following conditions:

1. Cablevision may not modify the hours of operation available to subscribers or other customers at Bella's Pizza without first notifying and obtaining the prior approval of the change from the Office of Cable Television;
2. Cablevision may not close, transfer or otherwise modify the services offered at Bella's Pizza or at the customer service office located in Matamoras, Pennsylvania without filing a petition pursuant to N.J.A.C. 14:18-5.1 and receiving express authorization of the Board prior to the closure, transfer or modification;
3. Cablevision shall post signs at: 1) the current local customer service office, located at 266 Clove Road, Montague, New Jersey; 2) Bella's Pizza at 260 Clove Road, Montague, New Jersey; and 3) the Matamoras, Pennsylvania customer service office at 605 Pennsylvania Avenue, Matamoras, Pennsylvania, indicating that the current local customer service office will be closing and that the new local customer service office will be located at Bella's Pizza. These signs shall be reviewed and approved by the Office of Cable Television as to size, content and location, prior to posting, and shall contain, at a minimum, notification that the current office will be closed, that service can be obtained at Bella's Pizza and the hours of operation and services offered by Bella's Pizza and the Matamoras, Pennsylvania customer service office and a local or toll free number for Montague and Sandyston residents to reach both facilities;

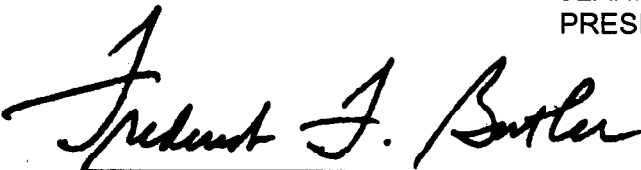
4. Cablevision shall not close the existing local customer service office until the signs have been posted continuously for no less than thirty (30) days or until October 1, 2004, whichever is later;
5. Cablevision shall post a permanent sign in a prominent location at Bella's Pizza that shall remain in place for the full term that Bella's Pizza continues to provide customer services to Cablevision customers. This sign shall be reviewed and approved by the Office of Cable Television, as to size, content and location, prior to posting, and shall contain, at a minimum, that Cablevision customer service can be obtained at Bella's Pizza, the hours of operation and services offered by Bella's;
6. Cablevision shall include a "bill insert" in all bills to the cable television customers in the impacted area, at least fifteen (15) days prior to closing the local office, alerting those customers to the availability of Bella's Pizza and the Matamoras, Pennsylvania customer service locations, with such "bill insert" to be approved by the Office of Cable Television prior to being sent; and
7. By implementing the closure and relocation authorized by this Order, Cablevision shall be deemed to accept on its behalf, and on behalf of any future owner, operator, successor or assign that may now or in the future operate the cable television system subject to this Petition, that the Matamoras, Pennsylvania location will be subject to the Board's jurisdiction as though it were physically located within the State of New Jersey, and that Cablevision hereby waives any objection as to the Board's jurisdiction over the Matamoras, Pennsylvania customer service facility in any such proceeding that might arise based upon its location in Pennsylvania.

DATED: 8/26/04

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BY:

  
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CAROL J. MURPHY

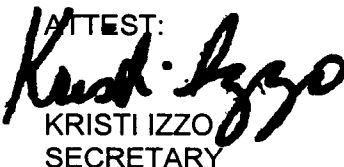
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